



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Renewal of Lease Agreement for 111 N. Stockton Street, Unit A (Recreation Annex)

MEETING DATE: August 18, 1999

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council approve the attached agreement.

BACKGROUND INFORMATION: The Parks and Recreation Department has been leasing the above mentioned facility for 10 years. This building is used for specialty classes and houses the After School Playground Program. It provides the department with much needed indoor space.

The rent for this unit has been \$1,500 since September of 1994 and will continue at that rate for the first two years of the lease agreement. Thereafter, it will be adjusted yearly by the realtor agent in accordance with changes in the Consumers Price Index.

FUNDING: Recreation Administration Operating Budget

Ron Williamson
Parks and Recreation Director

RW

cc: City Attorney
Lodi Parks and Recreation Commission

APPROVED: _____

H. Dixon Flynn -- City Manager

08/11/99

COMMERCIAL LEASE AND DEPOSIT RECEIPT

FROM City of Lodi - a municipal corp.

Covered by existing lease arrangement

hereinafter referred to as LESSEE,
DOLLARS)

as a deposit which, upon acceptance of this lease, shall belong to Lessor and shall be applied as follows:

	RECEIVED	PAYABLE PRIOR TO OCCUPANCY
Period from _____ to _____	\$ na	\$ na
Sit _____	\$ na	\$ na
_____	\$ na	\$ na
_____	\$	\$

that this lease is not accepted by the Lessor within -0- days, the total deposit received shall be refunded.

by offers to lease from Lessor the premises situated in the City of Lodi, County of San Joaquin,
California, described as 111 N. Stockton St. - Unit A

TERMS AND CONDITIONS:

1: The term hereof shall commence on September 1, 19 99, and expire on August 31, 2004.
2: The total rent shall be \$ 90,000 + para. 30, payable as follows: \$1500 per month on or before the first
of each month. Rental is subject to provisions of paragraph 29 herein. Adjustments
rent pursuant to paragraph 29 shall only occur upon 30 days written notice being
an to Lessee by Lessor of new rental amount.
It shall be paid to Owner or his authorized agent, at the following address: Lenford Retzer 940 Virginia Ave.
Lodi, CA 95242

uch other places as may be designated by Owner from time to time.

The premises are to be used for the operation of parks & recreation department annex.

no other purpose, without prior written consent of Lessor.

3 PROHIBITED: Lessee shall not use any portion of the premises for purposes other than those specified hereinabove, and no use shall be made or
ted to be made upon the premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies
ng said property. Lessee shall not conduct or permit any sale by auction on the premises.

4 ASSIGNMENT AND SUBLETTING: Lessee shall not assign this lease or sublet any portion of the premises without prior written consent of the Lessor, which
ot be unreasonably withheld. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this lease.

5 FINANCES AND STATUTES: Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in
e, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee. The commencement or pendency of any state
ral court abatement proceeding affecting the use of the premises shall, at the option of the Lessor, be deemed a breach hereof.

6 TENANCE, REPAIRS, ALTERATIONS: Lessee acknowledges that the premises are in good order and repair, unless otherwise indicated herein.
e shall, at his own expense and at all times, maintain the premises in good and safe condition, including plate glass, electrical wiring, plumbing and heating
itions and any other system or equipment upon the premises and shall surrender the same, at termination hereof, in as good condition as received, normal wear
ar excepted. Lessee shall be responsible for all repairs required, excepting the roof, exterior walls, structural foundations, and:

shall be maintained by Lessor. Lessee shall also maintain in good condition such portions adjacent to the premises, such as sidewalks, driveways, lawns and
ery, which would otherwise be required to be maintained by Lessor.

improvement or alteration of the premises shall be made without the prior written consent of the Lessor. Prior to the commencement of any substantial repair,
ement, or alteration, Lessee shall give Lessor at least two (2) days written notice in order that Lessor may post appropriate notices to avoid any liability for liens.
see shall not commit any waste upon the premises, or any nuisance or act which may disturb the quiet enjoyment of any tenant in the building.

7 INSPECTION: Lessee shall permit Lessor or Lessor's agents to enter upon the premises at reasonable times and upon reasonable notice, for the
e of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this lease, to place upon the premises any usual "To
For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter.

8 INNIFICATION OF LESSOR: Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the
ad premises or any part thereof, and Lessee agrees to hold Lessor harmless from any claims for damages, no matter how caused.

9 SESSION: If Lessor is unable to deliver possession of the premises at the commencement hereof, Lessor shall not be liable for any damage caused thereby,
all this lease be void or voidable, but Lessee shall not be liable for any rent until possession is delivered. Lessee may terminate this lease if possession is not
ed within _____ days of the commencement of the term hereof.

10 RANCE: Lessee, at his expense, shall maintain plate glass and public liability insurance including bodily injury and property damage insuring Lessee and
with minimum coverage as follows: \$1,000,000 each occurrence

see shall provide Lessor with a Certificate of insurance showing Lessor as additional insured. The Certificate shall provide for a ten-day written notice to Lessor
event of cancellation or material change of coverage.

the maximum extent permitted by insurance policies which may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and
ts of subrogation which might otherwise exist.

11 TIES: Lessee agrees that he shall be responsible for the payment of all utilities, including water, gas, electricity, heat and other services delivered to the premises.

12 L: Lessor reserves the exclusive right to the roof, side and rear walls of the Premises. Lessee shall not construct any projecting sign or awning without the prior
consent of Lessor which consent shall not be unreasonably withheld.

13 NDONMENT OF PREMISES: Lessee shall not vacate or abandon the premises at any time during the term hereof, and if Lessee shall abandon or vacate
mises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee left upon the premises shall be deemed to be abandoned,
option of Lessor.

14 DEMNATION: If any part of the premises shall be taken or condemned for public use, and a part thereof remains which is susceptible of occupation
rder, this lease shall, as to the part taken, terminate as of the date the condemnor acquires possession, and thereafter Lessee shall be required to pay such prop-
of the rent for the remaining term as the value of the premises remaining bears to the total value of the premises at the date of condemnation; provided
er, that Lessor may at his option, terminate this lease as of the date the condemnor acquires possession. In the event that the demised premises are condemned
ie, or that such portion is condemned that the remainder is not susceptible for use hereunder, this lease shall terminate upon the date upon which the condemnor
as possession. All sums which may be payable on account of any condemnation shall belong to the Lessor, and Lessee shall not be entitled to any part thereof,
ed however, that Lessee shall be entitled to retain any amount awarded to him for his trade fixtures or moving expenses.

15 E FIXTURES: Any and all improvements made to the premises during the term hereof shall belong to the Lessor, except trade fixtures of the Lessee.
e may, upon termination hereof, remove all his trade fixtures, but shall repair or pay for all repairs necessary for damages to the premises occasioned by removal.

16 RUCTION OF PREMISES: In the event of a partial destruction of the premises during the term hereof, from any cause, Lessor shall forthwith repair the
provided that such repairs can be made within sixty (60) days under existing governmental laws and regulations, but such partial destruction shall not terminate
se, except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such
: shall interfere with the business of Lessee on the premises. If such repairs cannot be made within said sixty (60) days, Lessor, at his option, may make the
within a reasonable time, this lease continuing in effect with the rent proportionately abated as aforesaid, and in the event that Lessor shall not elect to make such
which cannot be made within sixty (60) days, this lease may be terminated at the option of either party.

he event that the building in which the demised premises may be situated is destroyed to an extent of not less than one-third of the replacement costs thereof,
may elect to terminate this lease whether the demised premises be injured or not. A total destruction of the building in which the premises may be situated shall
ate this lease.

he event of any dispute between Lessor and Lessee with respect to the provisions hereof, the matter shall be settled by arbitration in such a manner as the parties
gree upon, or if they cannot agree, in accordance with the rules of the American Arbitration Association.

KEY: In the event a receiver is appointed to take over the business of Lessee, or in the event Lessee makes a general assignment for the benefit of Lessee takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this lease by Lessee.

IS OF OWNER ON DEFAULT: In the event of any breach of this lease by Lessee, Lessor may, at his option, terminate the lease and recover from the worth at the time of award of the unpaid rent which was earned at the time of termination; (b) the worth at the time of award of the amount by which the which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of loss that Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate Lessor for all detriment proximately caused by failure to perform his obligations under the lease or which in the ordinary course of things would be likely to result therefrom.

ay, in the alternative, continue this lease in effect, as long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all his rights under the lease, including the right to recover the rent as it becomes due under the lease. If said breach of lease continues, Lessor may, at any time elect to terminate the lease.

contained herein shall be deemed to limit any other rights or remedies which Lessor may have.

Y: The security deposit set forth above, if any, shall secure the performance of the Lessee's obligations hereunder. Lessor may, but shall not be obligated to apply the Security Deposit in payment of the last month's rent.

*** REFUNDS:** The balance of all deposits shall be refunded within two weeks from date possession is delivered to Owner or his authorized Agent, with a statement showing any charges made against such deposits by Owner.

IV'S FEES: In case suit should be brought for recovery of the premises, or for any sum due hereunder, or because of any act which may arise out of the use of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.

: Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Lessee at the premises, or Lessor at the address below, or at such other places as may be designated by the parties from time to time.

OVER: Any holding over after the expiration of this lease, with the consent of Lessor, shall be construed as a month-to-month tenancy at a rental of \$100 per month, otherwise in accordance with the terms hereof, as applicable.

is of the essence of this lease.

SSIGNS, SUCCESSORS: This lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

LEASE: In the event there is any increase during any year of the term of this lease in the City, County or State real estate taxes over and above the amount assessed for the tax year during which the term of this lease commences, whether because of increased rate or valuation, Lessee shall pay to Lessor upon payment of paid tax bills an amount equal to 0% of the increase in taxes upon the land and building in which the leased premises are situated. In the event taxes are assessed for a tax year extending beyond the term of the lease, the obligation of Lessee shall be proportionate to the portion of the lease term which year.

LIVING INCREASE: The rent provided for in paragraph 2 shall be adjusted effective upon the first day of the month immediately following the 24 months from date of commencement of the term and upon the expiration of each 12 months thereafter in accordance with changes in the Consumer Price Index for All Urban Consumers (1967 = 100) hereinafter called the "CPI." The monthly rent shall be increased to an amount equal to the monthly rent in paragraph 2 multiplied by a fraction the numerator of which is the CPI for the second calendar month immediately preceding the adjustment date and the denominator of which is the CPI for the second calendar month preceding the commencement of the lease term. Provided, however, in no event shall the monthly rent be the amount set forth in paragraph 2.

TO RENEW: Provided that Lessee is not in default in the performance of this lease, Lessee shall have the option to renew the lease for an additional term of 24 months commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the rent shall be the sum of \$118 which shall be adjusted in accordance with the cost of living increase provision set forth in paragraph 29. This option shall be exercised by written notice given to Lessor not less than 15 days prior to the expiration of the initial lease term. If notice is not given in the time specified, this option shall expire.

LIABILITY: The term "Lessor," as used in this paragraph, shall mean only the owner of the real property or a Lessee's interest in a ground lease of the premises. In the event of any transfer of such title or interest, the Lessor named herein (or the grantor in case of any subsequent transfers) shall be relieved of all obligations to Lessor's obligations to be performed after such transfer. Provided, however, that any funds in the hands of Lessor or Grantor at the time of such transfer shall be used to satisfy Lessor's obligations. Lessor's aforesaid obligations shall be binding upon Lessor's successors and assigns only during their respective periods of ownership.

IL CERTIFICATE:

ee shall at any time upon not less than ten (10) days' prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any, and [2] acknowledging that, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be relied upon by any prospective purchaser or encumbrancer to the Premises.

essor option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease or shall be conclusive upon Lessee [1] that this Lease is in full force and effect, without modification except as may be represented by Lessor, [2] that there are no uncured defaults in Lessor's performance, and more than one month's rent has been paid in advance or such failure may be considered by Lessor as a default by Lessee under this Lease.

essor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor all statements of Lessee as may be reasonably required by such lender or purchaser. Such statements shall include the past three years' financial statements of Lessee. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes stated.

I AREA EXPENSES: In the event the demised premises are situated in a shopping center or in a commercial building in which there are common areas, Lessee agrees to pay his pro-rata share of maintenance, taxes, and insurance for the common area. Does not apply.

UM: An addendum, signed by the parties, ☒ is attached, ☐ is not attached hereto.

MENT: The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following has been made a part of this lease before the parties' execution hereof:

The undersigned Lessee hereby acknowledges receipt of a copy hereof.

DATED: 7/16/99

Less & Boyd Realtors _____ Agent
221 W. Pine St., Lodi, CA 95240 _____ Address
_____ Phone

City of Lodi, a municipal corp. _____ Lessee
_____ Lessee
221 W. Pine St., Lodi, CA 95240 _____ Address
333-6700 _____ Phone

ACCEPTANCE

Approved as to form

City Attorney

Lessor accepts the foregoing offer and agrees to lease the herein described premises on the terms and conditions herein specified. The Lessor agrees to pay to the Agent in this transaction, _____ DOLLARS)

and authorizes Agent to deduct said sum from the deposit received from Tenant. This agreement shall not limit the rights of Agent provided for in any listing which may be in effect between Owner and Agent. In the event Tenant shall purchase the property from Owner prior to the expiration of this lease, Owner shall pay a sales commission of _____% of the sale price.

The undersigned Lessor hereby acknowledges receipt of a copy hereof.

DATED: _____

& Boyd Realtors _____ Owner's Authorized Agent
221 W. Pine St., Lodi, CA 95240 _____ Address
_____ Phone

Lenford Retzer _____ Lessor
_____ Lessor
940 Virginia Ave., Lodi, CA 95242 _____ Address
_____ Phone

ADDENDUM TO COMMERCIAL LEASE
PARKS & RECREATION DEPARTMENT _ ANNEX A
111 N. STOCKTON ST., LODI, CA

Paragraph 35:

It is hereby agreed that this lease agreement may be terminated by either party, with or without cause, by giving to the other party not less than six (6) months written notice of such intention to terminate.

LENFORD RETZER, Owner

Lenford Retzer

CITY OF LODI, a municipal corp.

Dixon Flynn, City Manager

SCHAFFER SUESS & BOYD REALTORS,
Agent

By: James J. Verseput
James J. Verseput, broker

Attest:

Alice M. Reimche
City Clerk

Approved as to Form:

Randall A. Hays
Randall A. Hays
City Attorney

RESOLUTION NO. 99-120

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
LEASE AGREEMENT FOR 111 NORTH STOCKTON STREET,
UNIT A (RECREATION ANNEX)

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BE IT RESOLVED, that the Lodi City Council hereby approves the renewal of Lease Agreement for 111 North Stockton Street, Unit A (Recreation Annex) with Lenford Retzer, effective September 1, 1999 and terminating August 31, 2004 at a cost of \$1,500.00 per month for the first two years and adjusted yearly thereafter based on the Consumer Price Index and written notice from the Lessor.

Dated: August 18, 1999

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I hereby certify that Resolution No. 99-120 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 18, 1999, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Mann, Nakanishi, Pennino
and Land (Mayor)

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


ALICE M. REIMCHE
City Clerk